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May 26, 2005

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BY ELECTRONIC MAIL

William J. Fox
Director
Financial Crimes Enforcement Network
U.S. Department of Treasury
P.O. Box 39
Vienna, VA 22183

**Re: Notice of Proposed Rulemaking – Financial Crimes
Enforcement Network (FinCEN): RIN 1506-AA81 –
Supplemental Comments**

Dear Director Fox:

On behalf of our client, JSC Multibanka of Riga, Latvia, we present the following supplemental comments with respect to the Notice of Proposed Rulemaking (the “Notice”) contained in RIN 1506-AA81, dated April 26, 2005.

Multibanka was pleased to have the opportunity to meet with representatives from your office on May 24, 2005. In particular, we welcomed the opportunity to correct many of the inaccurate allegations that form the basis for the Notice, to describe in detail the bank’s ongoing efforts to combat money laundering, and to express Multibanka’s willingness to work in cooperation with the U.S. Government going forward to address its concerns.

We understood from representations made by Ms. Starr of your office that, upon conclusion today of the Notice’s 30-day comment period, FinCEN and the Treasury Department, in consultation with other agencies of the U.S. Government, will review all comments received. We further understood that it will be possible for Multibanka to continue to engage in exchanges of information and points of view with the U.S. Government, and we look forward to working in cooperation with the U.S. Government in this regard.

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Ms. Starr inquired during our meeting about the results of a previous review conducted by the bank of all of its accounts. As we noted in our original comments on the Notice (submitted May 19, 2005), accounts relating to any customer for which information pertaining to the identity of the account holder and the beneficiary could not be gathered were first "frozen" and then closed. To date the bank has closed approximately 1,200 non-resident customer accounts. These actions confirm the bank's commitment to combating money laundering.

We would like to take this opportunity to revisit an issue that was discussed during our meeting but not described in full in our original comments on the Notice. As noted, Multibanka is continuing to focus on improving its anti-money laundering policies and procedures and to ensure that these are translated effectively into practice. At the same time, Multibanka has committed to reviewing its entire portfolio of accounts again over the course of the next few months, with the aim of verifying account holder and beneficiary identities in all cases. In light of these goals, Multibanka has decided to suspend temporarily the opening of new accounts for non-resident clients of the bank, except for those clients whose actual beneficiaries have cooperated with the bank. Multibanka intends to resume opening new accounts for non-residents once the above process has been concluded.

We also must reiterate the detrimental effects of the Notice on the bank in the marketplace. Continued uncertainty with respect to the posture of the U.S. Government towards Multibanka is as damaging to the bank's reputation, and consequently to its business prospects, as a formal imposition of the proposed special measure by the government. Many entities inside and outside of Latvia have taken the Notice as evidence that the U.S. Government already has reached a decision with respect to Multibanka. Dozens of financial institutions have ceased relations with Multibanka, and many more have indicated that they will terminate relations with Multibanka in the coming days.

It is in this light that we welcome the opportunity to continue to engage the U.S. Government in a dialogue, such that we might present additional information demonstrating the inaccuracies on which the Notice is based and reconfirm the bank's commitment to compliance with all applicable laws. At the same time, we urge the U.S. Government not to let the delay inherent in rulemaking procedures impede a mutually satisfactory outcome, in light of the realities of the global financial marketplace, as described above.

Multibanka is eager to explore, together with the U.S. Government, which measures the bank might take to address the concerns raised in the Notice.

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Multibanka looks forward to meeting again as soon as possible with the U.S. Government in this regard.

Thank you for your consideration of the foregoing.

Sincerely,

A handwritten signature in cursive script, reading "Jeanne S. Archibald".

Jeanne S. Archibald
Jeremy B. Zucker
Counsel to JSC Multibanka